

State Aid Flows to Democratic-Controlled Districts

Ewing, Bayonne, Kearny are Top Recipients of Funds for Property Tax Relief

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TRENTON -- The state Department of Community Affairs handed out \$16.3 million in special aid for property tax relief to 29 municipalities yesterday, with all but \$1.07 million going to towns in Democratic-controlled legislative districts.

Bayonne, the city where DCA Commissioner Joseph V. Doria was mayor until early last month, received the second largest amount, \$1.3 million.

Ewing in Mercer County received the largest amount, \$2 million; Kearny \$1.3 million; Orange and Perth Amboy each received \$1 million; Weehawken picked up \$900,000; Plainfield, \$800,000; Hillside, \$700,000; South Amboy, \$650,000, and East Orange, \$500,000.

Chris Donnelly, a DCA spokesman, said, "Politics does not play a role in these decisions." He said 34 cities and towns applied for the so-called extraordinary aid and only five were turned away. Four of the five -- Elizabeth, Edison, Edgewater and Vineland -- are also in Democratic-controlled legislative districts. The other one refused is Manchester in Ocean County.

The towns in Republican-controlled districts that received aid are Union Beach, \$325,000; Keansburg, \$300,000; Lake Como, \$300,000, and Old Bridge, \$150,000.

Extraordinary aid is awarded to municipalities that need additional financial aid because of unexpected circumstances, such as the loss of a major property tax payer. The aid must go toward property tax relief and cannot be used for anything else, such as pay hikes or benefits, public works projects or vehicle purchases. If a town has a surplus or is not facing a property tax hike, it does not qualify.

To receive the aid, Donnelly said, a town must submit an application detailing its finances and include information about its efforts to contain costs and share services.

"While working to create a sustainable, long term plan for lowering property taxes, municipalities also need immediate relief," Gov. Jon Corzine said in a statement. "This funding will allow local governments to continue to provide needed services while at the same time lessening the property tax burden for New Jersey residents."

In the case of Bayonne, Donnelly said the city had a deficit in operations, had maxed out on all local revenues and was facing a property tax increase of 28 cents per \$100 of property value, or about \$384 for the average homeowner. "This aid will reduce the tax increase to 22 cents and \$298," he said.

The \$1 million earmarked for Orange should help go a long way in helping to lessen the impact of a proposed 6.6 percent property tax increase, said North Ward Councilwoman Tency Eason.

"That's great," Eason said, after learning of the allocation. "That makes my night. It will mean a lot to Orange because we're trying to keep the tax increase to a minimum."

East Orange had applied to receive \$2.5 million, the same amount it has been requesting the past several years. Mayor Robert Bowser said receiving \$500,000 means the city will have to find another \$2 million elsewhere to make up the difference.

"We will be working with city council to look in other areas," he said. "We will have to look at wherever we can, to either make cuts, or find additional sources of revenue."

Perth Amboy Mayor Joe Vas said the aid for his city is "much appreciated and sorely needed." He said the extra assistance is "warranted ... because we've taken the additional measures this year to present a budget that is lean, has no fat, but provides the people with the services they are accustomed to."

While Plainfield had requested \$2.9 million in extraordinary aid from the state this year, Assemblyman Jerry Green (D-Plainfield) said he was pleased with the \$800,000 award.

"This goes a long way toward helping Plainfield with its budget," he said. "We would have liked more, but in this time, with money not being in the budget for these types of needs, that's not realistic."

The near \$3 million request for aid mirrored last year's amount, when Plainfield ended up receiving \$900,000 in state money. The aid could reduce the 8.7 percent tax increase in this year's proposed city budget.

Other municipalities that received aid yesterday include Dunellen, \$300,000; Guttenberg, \$80,000; Piscataway, \$200,000; Rahway, \$100,000; Roselle Borough, \$600,000, and Woodbridge, \$150,000.

In August, towns in 18 Democratic-controlled legislative districts received \$12.06 million in extraordinary aid while towns in 11 Republican-controlled districts received \$5.7 million. Last summer, the Corzine administration awarded \$25.5 million to 106 towns, with \$16.7 million going to Democratic district towns and \$8.8 million going to Republican district towns.